

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D. C. 20549

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE
SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2001

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE
SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 1-737

TEXAS PACIFIC LAND TRUST

(Exact name of registrant as specified in its charter)

NOT APPLICABLE

75-0279735

(State or other jurisdiction of incorporation or organization) (I.R.S. Employer Identification No.)

1700 Pacific Avenue, Suite 1670, Dallas, Texas 75201

(Address of principal executive offices)
(Zip Code)

214/969-5530

(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year,
if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Part I
FINANCIAL INFORMATION
TEXAS PACIFIC LAND TRUST
BALANCE SHEETS
JUNE 30, 2001 and DECEMBER 31, 2000

<Table>
<Caption>

December 31,
ASSETS
2000

June 30,
2001

(Unaudited)

<S>

<C>

<C>		
Cash	\$	205,463
\$ 263,834		
Temporary cash investments at cost which approximates market		2,150,000
1,350,000		
Accounts receivable		586,580
587,109		
Accrued interest receivable		279,454
379,383		
Prepaid expenses		17,517
43,792		
Notes receivable for land sales		7,438,696
8,591,998		
Real estate acquired through foreclosure:		
(9,268.43 acres at June 30, 2001 and 9,669.46 acres at December 31, 2000)		3,976,482
3,992,302		
Water wells, leasehold improvements, furniture and		
equipment - at cost less accumulated depreciation		222,992
120,898		
Property, no value assigned:		
Land (surface rights) situated in twenty-one counties in		
Texas - 1,024,733.42 acres in 2001 and 1,025,894.27 acres in 2000		--
--		
Town lots in Iatan, Loraine and Morita - 628 lots in 2001 and 2000		--
--		
1/16 nonparticipating perpetual royalty interest in 386,987.70 acres in 2001 and 2000		--
--		
1/128 nonparticipating perpetual royalty interest in 85,413.60 acres in 2001 and 2000		--
--		

	\$	14,877,184
\$ 15,329,316		=====
=====		
LIABILITIES AND CAPITAL		
Federal income taxes payable	\$	317,828
\$ 67,290		
Other taxes		170,594
36,330		
Other liabilities		76,070
51,071		
Escrow deposits on land sales		4,300
640		
Deferred taxes		3,542,561
3,905,678		

Total liabilities		4,111,353
4,061,009		
Capital:		
Certificates of Proprietary Interest, par value \$100		
each; outstanding one certificate in 2001 and 2000		--
--		
Sub-share Certificates in Certificates of Proprietary Interest, par value		
\$.16 2/3 each; outstanding 2,468,805 sub-shares in 2001 and		
2,504,205 sub-		
shares in 2000		--
--		
Net proceeds from all sources		10,765,831
11,268,307		

Total capital		10,765,831
11,268,307		

	\$	14,877,184
\$ 15,329,316		=====
=====		

</Table>

See accompanying notes to financial statements.

(1)

TEXAS PACIFIC LAND TRUST
STATEMENTS OF INCOME

(Unaudited)

<Table>
<Caption>

	Three Months Ended June 30		Six Months Ended June 30	
	2001	2000	2001	2000
<S>	<C>	<C>	<C>	<C>
Income:				
Rentals, royalties and sundry income	\$1,625,758	\$1,234,552	\$3,041,326	\$2,311,639
Land sales	81,115	120,001	99,655	902,727
Interest	202,053	217,182	415,674	431,894
	-----	-----	-----	-----
	1,908,926	1,571,735	3,556,655	3,646,260
	-----	-----	-----	-----
Expenses:				
Taxes, other than Federal income taxes	141,739	135,534	301,078	266,560
Basis in real estate sold	--	--	15,821	588,815
General and administrative expenses	322,183	285,632	708,192	646,662
	-----	-----	-----	-----
	463,922	421,166	1,025,091	1,502,037
	-----	-----	-----	-----
Income before Federal income taxes	1,445,004	1,150,569	2,531,564	2,144,223
Federal income taxes	419,755	339,768	719,584	636,748
	-----	-----	-----	-----
Net income	\$1,025,249	\$ 810,801	\$1,811,980	\$1,507,475
	=====	=====	=====	=====
Average number of sub-share certificates and equivalent sub-share certificates outstanding	2,484,855	2,568,283	2,492,997	2,576,919
	=====	=====	=====	=====
Basic earnings per sub-share certificate	\$.41	\$.32	\$.72	\$.59
	=====	=====	=====	=====
Cash dividend per sub-share certificate	--	--	\$.40	\$.40
	=====	=====	=====	=====

</Table>

See accompanying notes to financial statements.

(2)

TEXAS PACIFIC LAND TRUST
STATEMENTS OF CASH FLOWS

(Unaudited)

<Table>
<Caption>

Six Months Ended June 30	
2001	2000

	-----	-----
<S>	<C>	<C>
Cash flows from operating activities:		
Net income	\$ 1,811,980	\$ 1,507,475
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	23,400	21,600
Deferred taxes	(363,117)	(97,695)
(Increase) decrease in assets:		
Accounts receivable	529	(6,909)
New notes receivable from land sales	(74,735)	(559,227)
Payments received on notes receivable	1,228,037	316,823
Accrued interest receivable	99,929	76,922
Prepaid Federal income taxes	--	41,523
Prepaid expenses	26,275	24,097
Real estate acquired through foreclosure	15,820	588,815
Increase (decrease) in liabilities:		
Federal income taxes payable	250,538	47,920
Other taxes payable	134,264	138,595
Escrow deposits on land sales	3,660	2,000
Other liabilities payable	24,999	(25,676)
	-----	-----
Total adjustments	1,369,599	568,788
	-----	-----
Net cash provided by operating activities	3,181,579	2,076,263
	-----	-----
Cash flows from investing activities-		
Additions to water wells, leasehold improvements, furniture and equipment	(125,494)	(27,025)
	-----	-----
Cash flows from financing activities:		
Sub-shares purchased for retirement	(1,310,934)	(1,580,256)
Dividends paid	(1,003,522)	(1,033,842)
	-----	-----
Net cash used by financing activities	(2,314,456)	(2,614,098)
	-----	-----
Net increase (decrease) in cash and cash equivalents	741,629	(564,860)
Cash and cash equivalents at beginning of period	1,613,834	1,872,539
	-----	-----
Cash and cash equivalents at end of period	\$ 2,355,463	\$ 1,307,679
	=====	=====

</Table>

See accompanying notes to financial statements.

(3)

TEXAS PACIFIC LAND TRUST
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001

- (1) In the opinion of management, the accompanying unaudited financial statements contain all adjustments (consisting of only normal recurring accruals) necessary to present fairly the financial position of Texas Pacific Land Trust (Trust) as of June 30, 2001 and the results of its operations for the three and six months ended June 30, 2001 and 2000 and its cash flows for the six months ended June 30, 2001 and 2000, respectively. These financial statements and footnotes included herein should be read in conjunction with the Trust's annual financial statements as of December 31, 2000 and 1999 and for each of the years in the three year period ended December 31, 2000 included in the Trust's Form 10-K.
- (2) No value is assigned to the land, unless acquired through foreclosure;

consequently, no allowance for depletion is computed, and no charge to income is made therefore, and no cost is deducted from the proceeds of the land sales in computing gain or loss thereon.

- (3) The Sub-shares and the Certificates of Proprietary Interest are freely interchangeable in the ratio of one Certificate of Proprietary Interest for 600 Sub-shares or 600 Sub-shares for one Certificate of Proprietary Interest.
- (4) The Trust's effective Federal income tax rate is less than the 34% statutory rate because taxable income is reduced by statutory percentage depletion allowed on mineral royalty income.
- (5) The results of operations for the three and six months ended June 30, 2001 are not necessarily indicative of the results to be expected for the full year.
- (6) Cash in excess of daily requirements is invested in money market instruments with maturities of ninety days or less. Such investments are deemed to be cash equivalents for purposes of the statements of cash flows.

Supplemental cash flow information for the six months ended June 30, 2001 and 2000 is summarized as follows:

<u><Table></u> <Caption>	2001 -----	2000 -----
<S>	<C>	<C>
Federal income taxes paid	\$832,163 =====	\$645,000 =====

</Table>

(4)

- (7) The Trust has adopted SFAS No. 131, Disclosures about Segments of an Enterprise and Related Information which establishes standards for the way public business enterprises are to report information about operating segments. SFAS No. 131 utilizes the management approach as a basis for identifying reportable segments. The management approach is based on the way that management organizes the segments within the enterprise for making operating decisions and assessing performance. The Trust's management views its operations as one segment and believes the only significant activity is managing the land which was conveyed to the Trust in 1888. Trust management makes decisions about resource allocation and performance assessment based on the same financial information presented in these financial statements. Managing the land includes sales and leases of such land, and the retention of oil and gas royalties.
- (8) In July 2001 the Trust entered into a contract to sell approximately 560 acres in El Paso county for approximately \$5,600,000. The contract is subject to certain contingencies that allows purchaser to cancel until September 10, 2001, but all contracts should close in the third quarter. The Trust's basis in the real estate to be sold is approximately \$1,450,000.00.

(5)

Results of Operations for Quarter Ended June 30, 2001 Compared to Quarter Ended June 30, 2000

Earnings per sub-share were \$.41 for the second quarter of 2001 compared to \$.32 in the second quarter of 2000. Total revenues were \$1,908,926 compared to \$1,571,735, an increase of 21.5%.

Land sales for the second quarter of 2001 were 1,159 acres at an average price of approximately \$70 per acre for a total of \$81,115. This compares to 960 acres at an average price of approximately \$125 per acre for a total of \$120,001 in the second quarter of 2000. In looking forward the Trust has made land sale contracts thus far in the third quarter for \$5,900,000. One contract totaling \$5,600,000 in El Paso county is subject to certain contingencies that allows purchaser to cancel until September 10, 2001, but all contracts should close in the third quarter.

Land sales may vary widely from year to year and quarter to quarter. The total dollar amount, the average price per acre, and the number of acres sold in any one year or quarter should not be assumed to be indicative of land sales in the future. The Trust is a passive seller of land; it does not actively solicit sales of land. The demand for and the sales price of any particular tract of the Trust's land is influenced by many factors including the national and local economies, the rate of residential and commercial development in nearby areas, livestock carrying capacity, and the conditions of the local agricultural industry which itself is influenced by range conditions and prices for livestock and other agricultural products. Approximately 99% of the Trust's land is classified as ranch land and intermingled with other ownerships to form ranching units. Ranch land sales are, therefore, largely dependent on the actions of the adjoining landowners.

Rentals, royalties and sundry income amounted to \$1,625,758 for the second quarter of 2001 compared to \$1,234,552 for the second quarter of 2000, up 31.7%.

Oil and gas royalty revenue was \$1,250,190 for the second quarter of 2001, up 36.2% compared to the second quarter of 2000. Oil royalty revenue was \$745,129, up 21.5% for the 2001 period. Crude oil production subject to the Trust's royalty interest was up 25.2% in the second quarter of 2001. The average price of crude oil was decreased 3.0%. Gas royalty revenue was \$505,061 in the second quarter of 2001, up 65.6% on a volume decrease of 6.7% and a price increase of 77.2%.

Easement and other sundry income was \$185,148 for the second quarter of 2001, up 42.7% from the second quarter of 2000. This income is unpredictable and may vary greatly from quarter to quarter.

Interest revenue was down 7.0% in the second quarter of 2001 compared to the same period of 2000. Interest from notes receivable amounted to \$184,552, a 7.0% decrease from the 2000 period. Notes receivable for land sold were \$7,438,696 as of June 30, 2001, down 13.9% from June 30, 2000, due to payments received from note makers. Sundry interest was \$17,501 for the second quarter of 2001, down 5.8% from the second quarter of 2000. Sundry interest income fluctuates based on cash on hand for investment, and interest rates on short term investments.

Taxes, other than Federal income taxes, were up 4.6% due to an increase in royalty income production taxes in the second quarter of 2001 compared to the second quarter of 2000.

General and administrative expenses were up 12.8% for the second quarter of 2001 compared with the same period of 2000.

(6)

Management's Discussion (cont'd)

Results of Operations for Six Months Ended June 30, 2001 Compared to Six Months Ended June 30, 2000

Earnings per sub-share for the first six months of 2001 were \$.72 compared to \$.59 in the first six months of 2000. Total revenues were \$3,556,655 compared to \$3,646,260, a decrease of 2.5%. The main reason for earnings per sub-share being up 22.0% and revenues being down 2.5% is due to land sold in 2000 with a basis of \$588,815 which shows as an expense against earnings.

Land sales for the first six months of 2001 were 1,160.85 acres at an average price of approximately \$86 per acre for a total of \$99,655. This compares to 16,614.53 acres at an average price of approximately \$54 per acre for a total of \$902,727 in the first six months of 2000.

Rentals, royalties, and sundry income amounted to \$3,041,326 for the first six months of 2001 compared to \$2,311,639 for the first six months of 2000, up 31.6%.

Oil and gas royalty revenue for the first six months of 2001 was \$2,438,907, up 37.1% compared to the first six months of 2000. Oil royalty revenue was \$1,403,389, up 15.9% for the 2001 period. Crude oil production was up 10.8% in the first six months of 2001, and the average price per barrel was up 4.7%. Gas royalty revenue was \$1,035,518 in the first six months of 2001, up 82.1% on a volume decrease of 6.5%, and a price increase of 94.6%.

Easement and other sundry income was \$324,165 in the first six months of 2001, up 24.8% from the first six months of 2000. This was mainly due to increase of pipeline easement and seismic permit income which are unpredictable and vary greatly from one period to another.

Interest revenue was \$415,674 for the first six months of 2001, down 3.8% from the 2000 period. Interest from notes receivable was \$376,638, down 3.1% from the 2000 period. Sundry interest was \$39,036 for the first six months, down 9.8% from the 2000 period.

Taxes, other than Federal income taxes in the first six months of 2001 were up 12.9%. This is due to the increase in royalty income taxes.

General and administrative expenses for the first six months of 2001 were up 9.5% from the first six months of 2000.

Liquidity and Capital Resources

The Trust's oil and gas royalty revenues, lease rentals and receipts of interest and principal on notes receivable have generated more than adequate amounts of cash to meet the Trust's needs and should continue to do so in the predictable future.

Words or phrases when used in this Form 10-Q or other filings with the Securities and Exchange Commission, such as "does not believe" and "believes", or similar expressions are intended to identify "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995.

Quantitative and Qualitative Disclosures About Market Risk

There have been no material changes in the information related to market risk of the Trust since December 31, 2000.

(7)

PART II

OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K

- (a) Exhibits. Interim report furnished to shareholders upon request per sub-part Item 601 (19) Regulation S-K.
- (b) Reports on Form 8-K. The registrant has filed no reports on Form 8-K during the quarter for which this report is filed.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

TEXAS PACIFIC LAND TRUST

(Registrant)

Date August 10, 2001

By /s/ ROY THOMAS

Roy Thomas, General Agent,
Authorized Signatory and Principal
Financial Officer

